

VAPSTAT Forum



May 27, 2014

Agenda

5:30-5:45

- Mayor's Welcome
- VAPStat Key Performance Indicators

5:45-6:00

- Foreclosure Process Review

6:00-6:15

- Update on “Next Steps” from RKG Report

6:15-6:30

- Audience Questions and Response
- Celebration of VAP Success

*~ Please submit **VAPSTAT** feedback form on back page of presentation at end of meeting*

Commitment to Tackling Vacant Properties:

Three Years of Steady Progress

- Bloomberg grant with one project focusing on vacant properties
- Aggressive pursuit of collection of liens on vacant properties
- Attorney General settlement - money for foreclosure, demolition, etc.
- Aggressive mowing schedule of vacant properties
- SummerWorks jobs program - teens cutting grass
- Corrections inmates cleaning/mowing vacant properties
- Changes to state laws to favor Metro
- City-wide Vacant Properties Summit
- Created VAPStat to track and improve performance and engage the community - today is 6th
- Blight-out Brighten-up (art to board properties)
- Civil lawsuits against property owners with multiple liens
- Foreclosure prevention programs for citizens
- Louisville Forward/Develop Louisville - new aggressive path forward starting July 1

VAPStat

Key Performance Indicators

VAPStat High Level Indicators

These High Level Indicators represent important statistics about the environment of vacant and abandoned properties in Louisville.



	May 2013	May 2014
Properties with Inactive Water Service for 3 or More Months	8,414 total properties (7,018 residential)	8,570 total properties (6,720 residential)
Vacant Properties (identified by Code Enforcement Officers as vacant)	5,711 vacant properties (4,621 structures, 1,090 lots)	5,553 vacant properties (4,322 structures, 1,231 lots)

VAPStat High Level Indicators

These High Level Indicators represent important statistics about the environment of vacant and abandoned properties in Louisville.

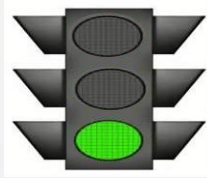


	Baseline - 2011	May 2014
Abandoned Properties (identified by Code Enforcement Officers as vacant for at least one year and Metro abatement work was performed within the same timeframe)	1,248 abandoned properties	951 of 1,248 still identified as vacant by Code Enforcement

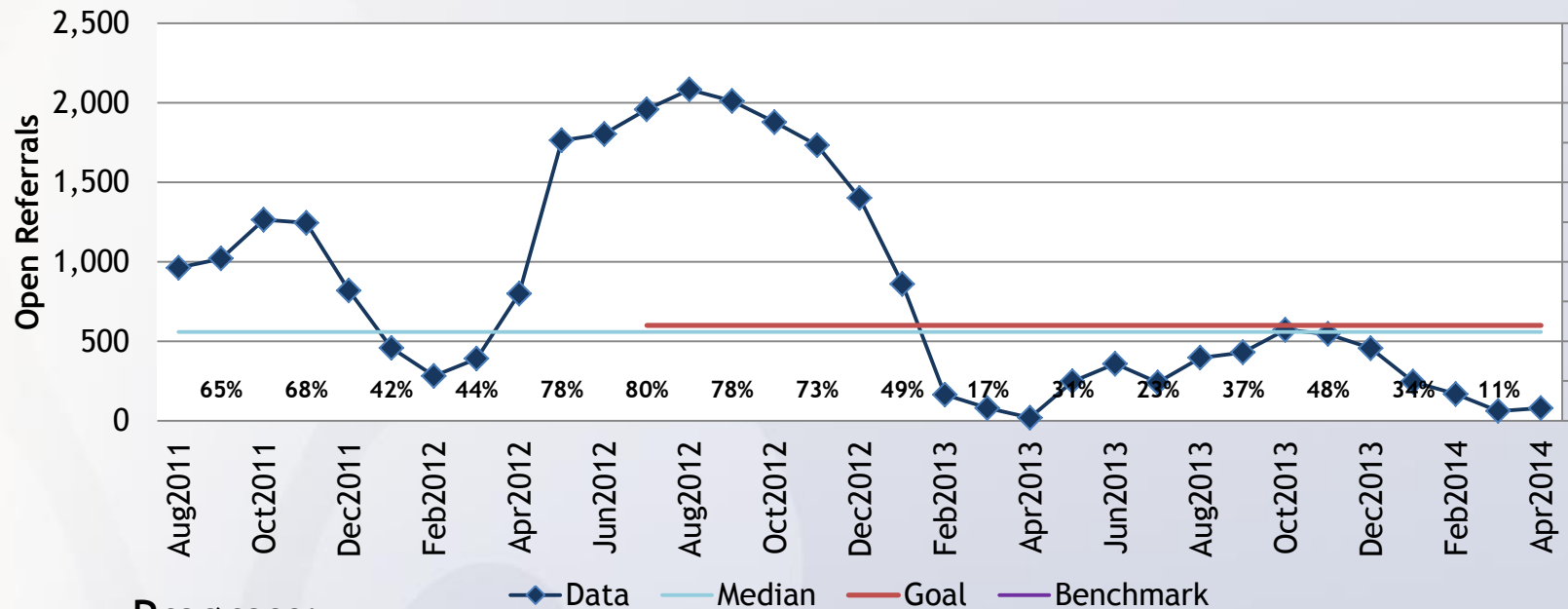
Progress

- Active Code Enforcement, Demolition, VAP Foreclosures and Lien Collection have contributed to a reduction in the number of properties identified as abandoned in 2011.
- While Louisville Metro Government cannot control the occurrence of a property becoming vacant, programs like Foreclosure Counseling, Weatherization and Emergency Home Repair can help keep people in their homes and provide assistance to care for properties within the city.

Boarding & Cleaning Monthly Backlog



Baseline (FY12):	Average of 993 open referrals
Goal:	< 600 cases open monthly
Last 12 months:	Average of 317 open referrals



Good

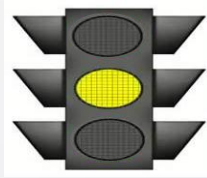
Progress:

- 3 Metro Corrections inmate crews maintaining city-owned properties
- SummerWorks youth will help maintain properties beginning 5/27/14

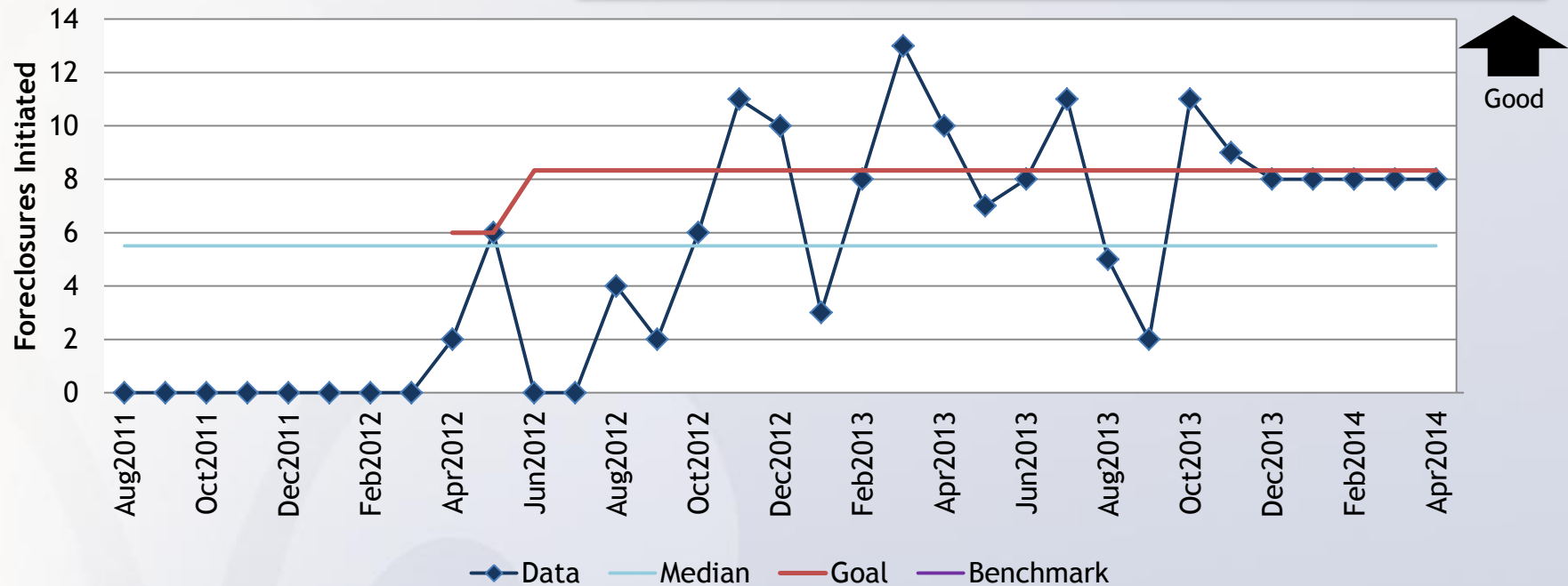
Risk:

- Job openings in Solid Waste Management and Public Works have caused vacancies on the Vacant Lots Team. With the vacancies, the Vacant Lots Crews are short staffed. Positions have to be held for 30 days before filling.
- We anticipate spikes in the backlog due to this issue, despite process improvements.

Foreclosures Initiated



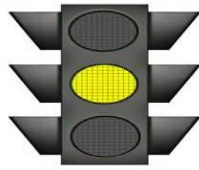
Baseline (FY12):	9 foreclosures initiated
Goal:	Initiate 100 VAP foreclosures/year
Last 12 months:	93 foreclosures initiated



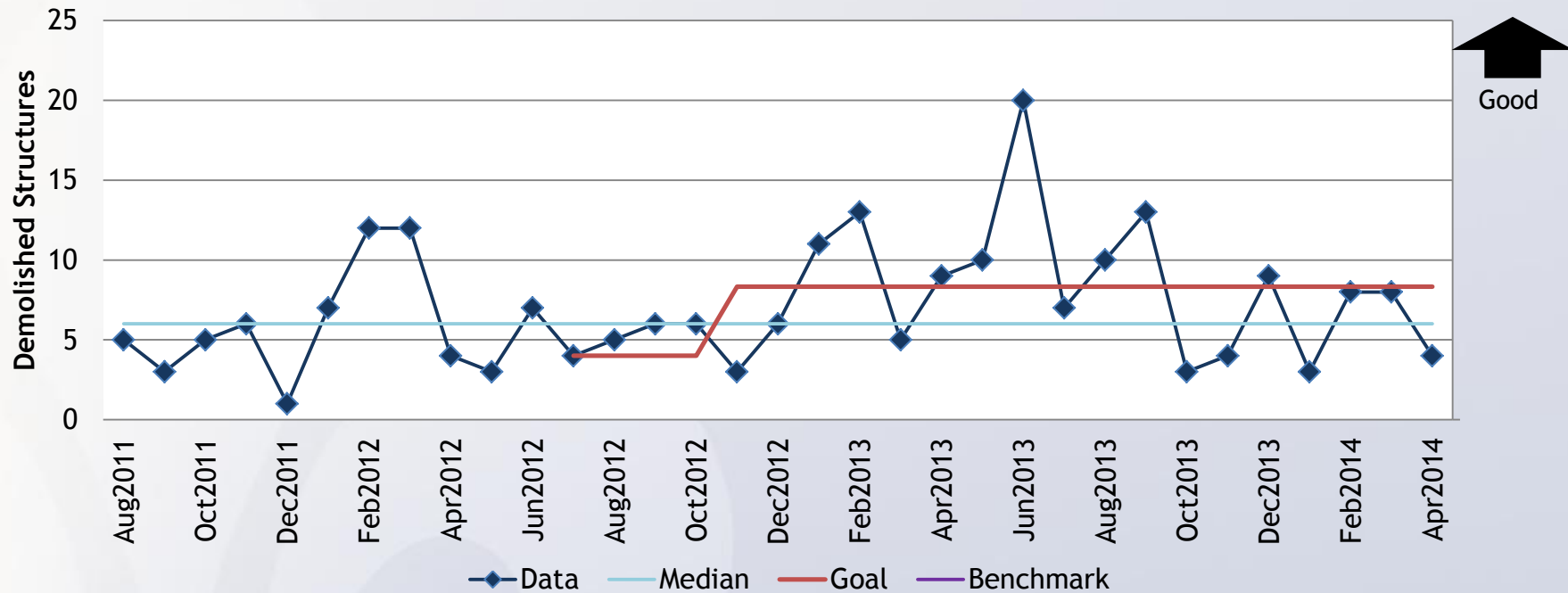
Progress

- Hired a paralegal to help with case preparation

Metro Demolitions



Baseline (FY12):	67 structures demolished
Goal:	Demolish 100 structures/year
Last 12 months:	99 structures demolished

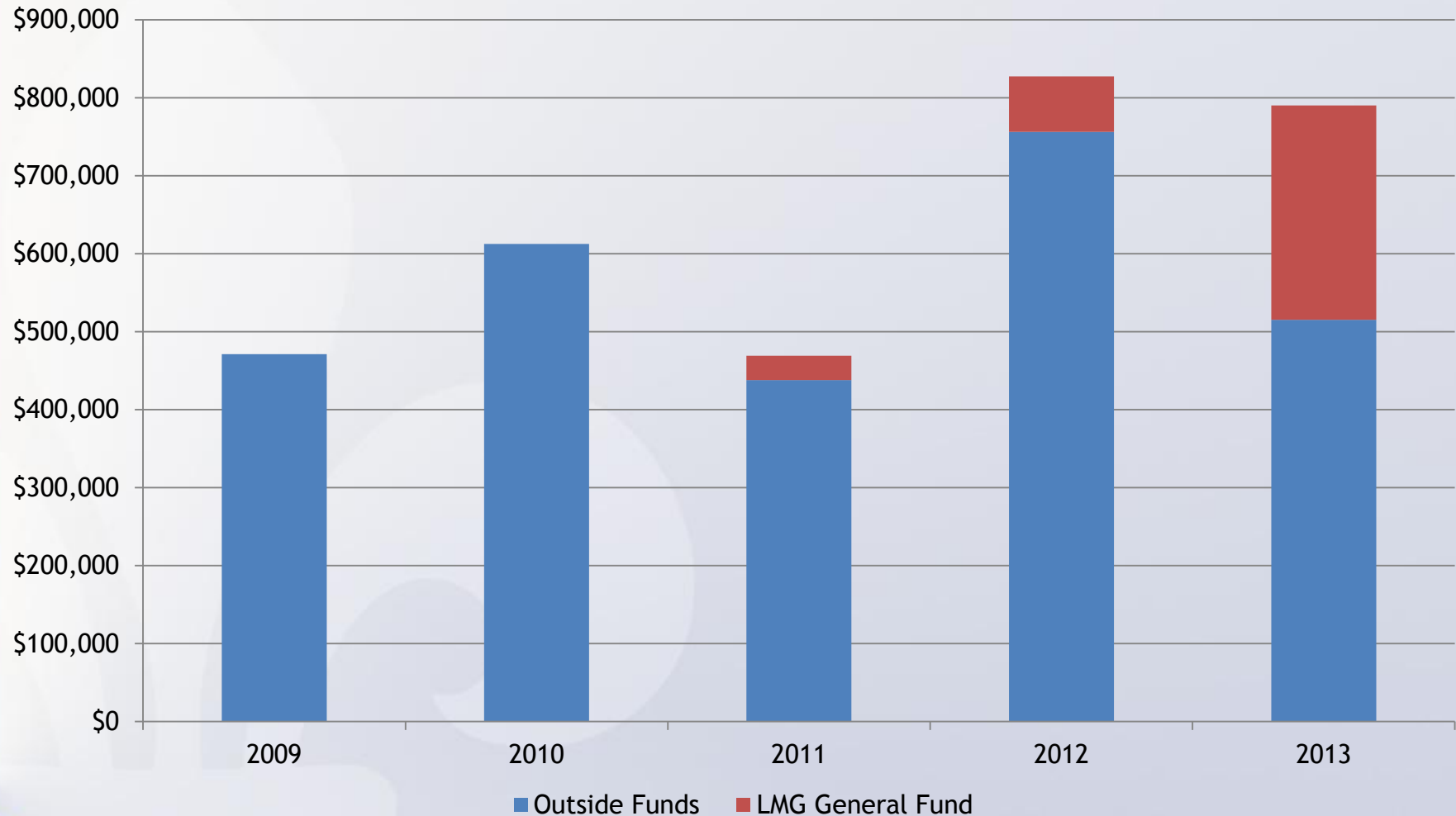


Funds

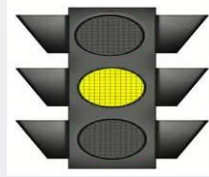
- National Mortgage Settlement (NMS) Funds Expended through May 14, 2014: \$341,303
- National Mortgage Settlement (NMS) Funds Remaining as of May 14, 2014: \$158,696
- FY14 Budgeted Amount (non-NMS) for Demolitions: \$560,571
- FY14 Funds Expended (non-NMS) through May 14, 2014: \$443,475 (79% spent)

Metro Demolition Funding

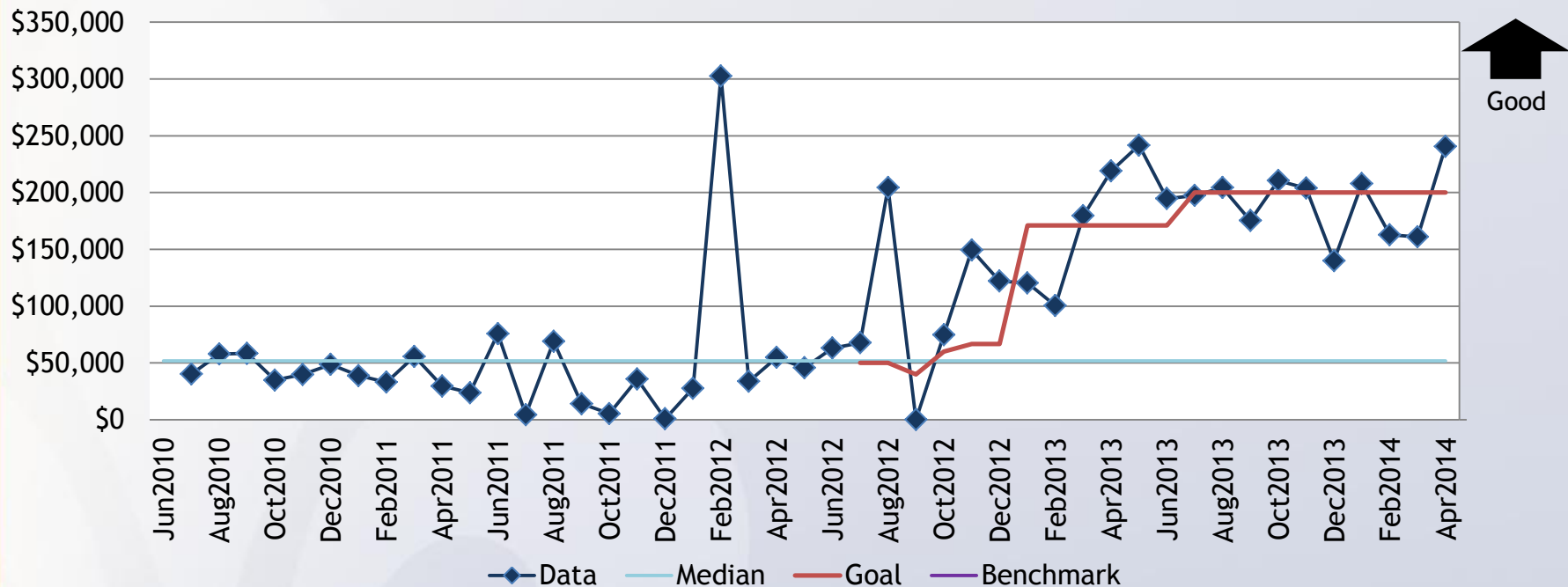
Louisville Metro Government General Fund contributions have increased to account for diminishing funds from outside sources.



Net Payment/ Collections from Fines, Abatement Costs & Liens



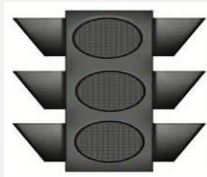
Baseline (FY12):	\$536,629
Goal:	\$2,400,000/year
Last 12 months:	\$2,340,088



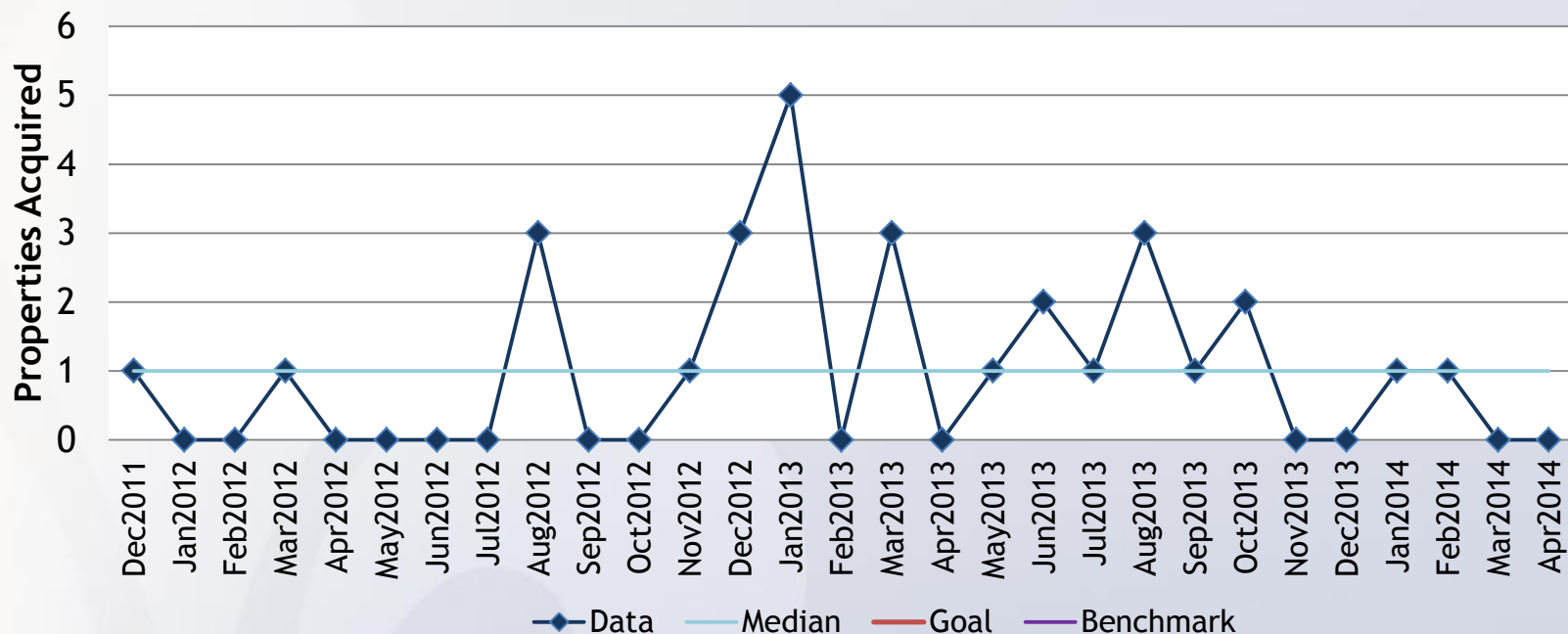
Progress

- Accounts Receivable is sending account bills daily on outstanding fines, abatement costs and liens
- Invoices are prepared within 48 hours of request for payment

Properties Acquired by the Landbank



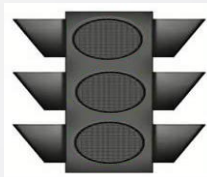
Baseline (FY12):	2 properties
Goal:	N/A - input measure
Last 12 months:	12 properties



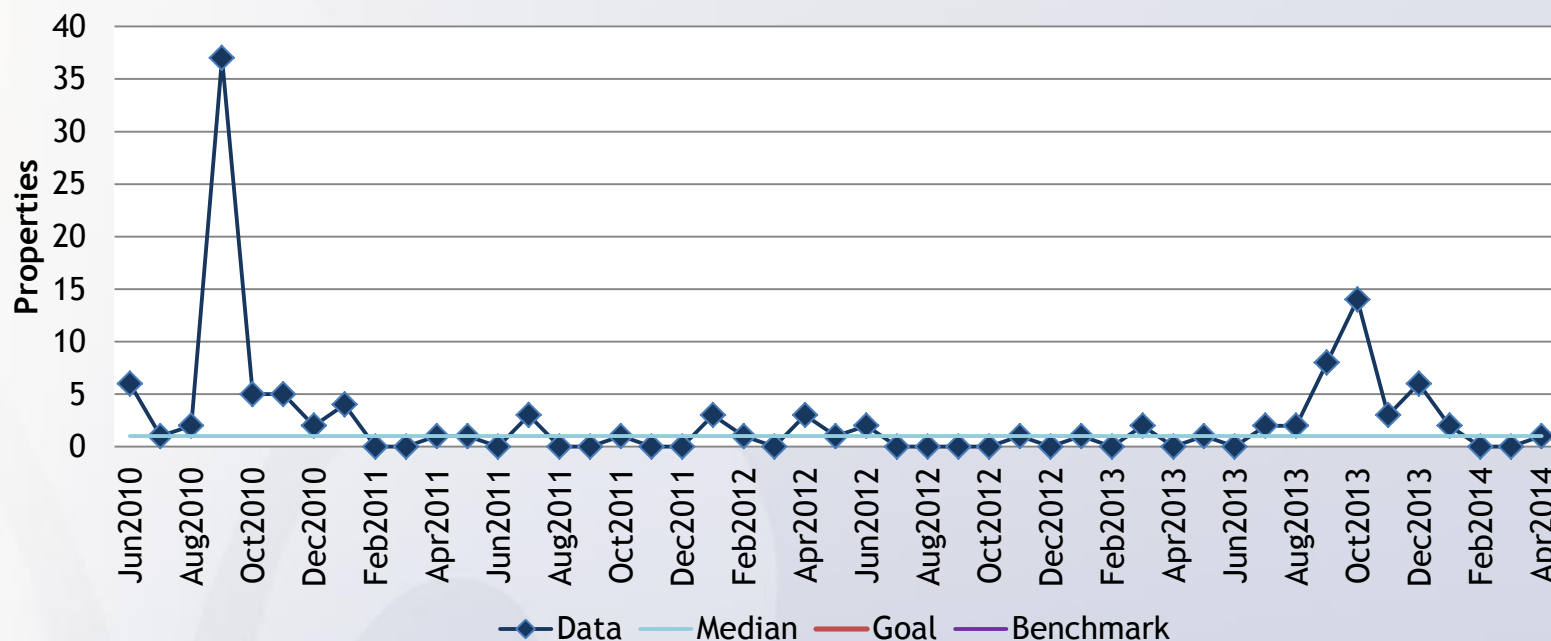
Progress

- As of April, private properties owners have inquired about donating 31 properties to the Landbank.
- 11 properties are “pending” acquisition
- VAP Staff is going to start doing deed preparation “in-house” to reduce closing timeframes

Properties Disposed by the Landbank



Baseline (FY12):	14 properties
Goal:	TBD
Last 12 months:	39 properties



Progress

- 458 properties in the inventory; 15 structures and 443 lots
- Seek a mass surplus resolution from Metro Council to convey 81 Metro owned parcels to the Landbank which will help expedite future dispositions
- 8 properties are “pending” disposition

Foreclosure Process Review

Outcomes

427

- VAP Foreclosure Requests

3 VAP Friendly Foreclosures

169

- Cases sent to the County Attorney's Office

123

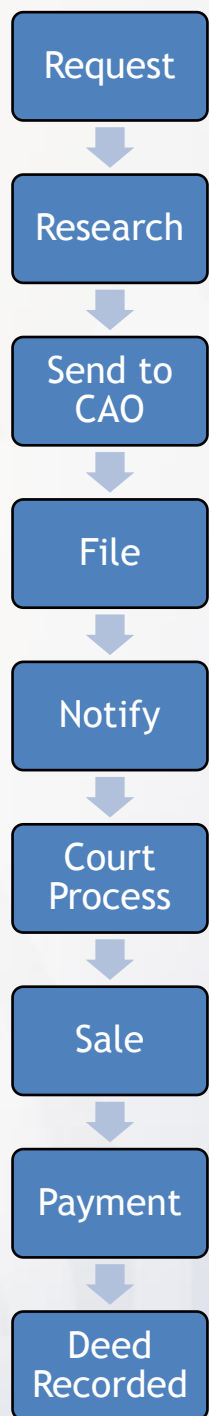
- Cases have been filed by the County Attorney's Office

2 cases settled out of court

5

- Properties sold at the Master Commissioner's Sale

Lessons Learned



	Process Step	Estimated Time	Actual Time
A	Initial Research “Request” to “Send to CAO”	30 days	102 days (median)
B	County Attorney Files Case “Send to CAO” to “File”	10 days	19 days (median)
C	Notification of Property Owners and Court Process “File” through “Court Process”	11-230 days	420 days (median)
D	Prep for Sale End of “Court Process” to “Sale”	30 days	49 days (median)
E	Deed Recorded “Sale” to “Deed Recorded”	60 days	

What Next?

- As of the end of April, there were 117 cases in Step C: Notification of Property Owners and Court Process.
- The County Attorney's Office has committed 7 additional resources to take an additional 5-15 Metro Foreclosure cases each, in order to move the 117 cases through to Commissioner's Sale
- County Attorney's Office will re-evaluate the proper resource allocation to the VAP Foreclosures after sending the 117 cases to sale

VAPStat

Next Steps Projects

Updated “Next Steps”: As a response to the RKG Report, Louisville Metro Government established 14 “Next Steps” regarding Vacant Property in Louisville. The following few slides present an update on Steps #11 and #13.

#	Recommendation	Timeframe	Risks/Issues
#11	Implement a home repair program	On-going until funds are exhausted	Determination of metro-wide vs. targeted area program could result in quick spending of available money, but lack strategic impact
#13	Implement a down payment assistance program	On-going until funds are exhausted	Must guarantee compliance with federal guidelines

HOME REPAIR PROGRAM EXPENDITURES

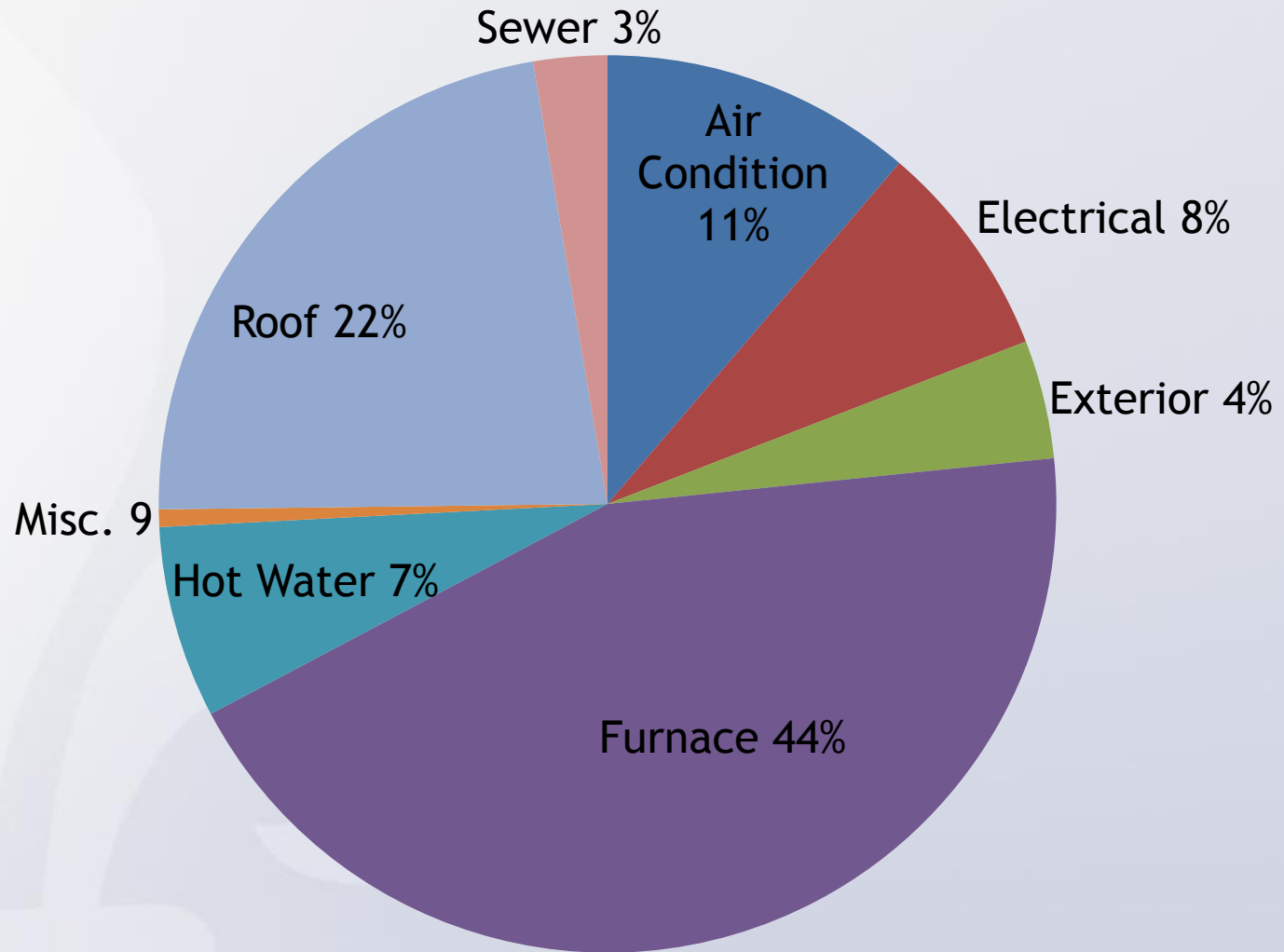
JANUARY '09 – JANUARY '14

\$6,314,240

SERVICE	UNITS	AVG. COST	TOTAL
Air Condition	161	\$4,284	\$689,677
Electrical	112	\$4,146	\$463,341
Exterior	61	\$4,921	\$300,197
Furnace	627	\$3,871	\$2,419,180
Hot Water	99	\$1,096	\$108,533
Misc. (Mold, Leaks)	9	\$4,505	\$40,547
Roof	322	\$6,659	\$2,144,199
Sewer	38	\$3,910	\$148,566

HOME REPAIR PROGRAM EXPENDITURES BY TYPE

JANUARY '09 – JANUARY '14



NATIONAL MORTGAGE SETTLEMENT FUNDS

National Mortgage Settlement funds provide Metro the opportunity to assist home owners with major structural improvements for:

- Residents who have been denied home improvement loans due to low property values in targeted areas
- Those at financial risk of vacating the property because of significant structural damage and/or code violations
- Address issues not eligible for federally funded projects

ELIGIBILITY REQUIREMENTS:

WEATHERIZATION, EMERGENCY REPAIR AND LEAD SAFE PROGRAMS

- Must be legal homeowner with deed documentation*
- Must have homeowner and/or fire insurance
- Property taxes must be current
- Must not have received Metro rehab services within the past five years

*Weatherization and Lead Programs provided for qualified renters with agreement and application from land lord

CONTACT

For additional information or to apply for weatherization assistance, emergency home repair or lead removal assistance please call 574-4377 or visit our website at:

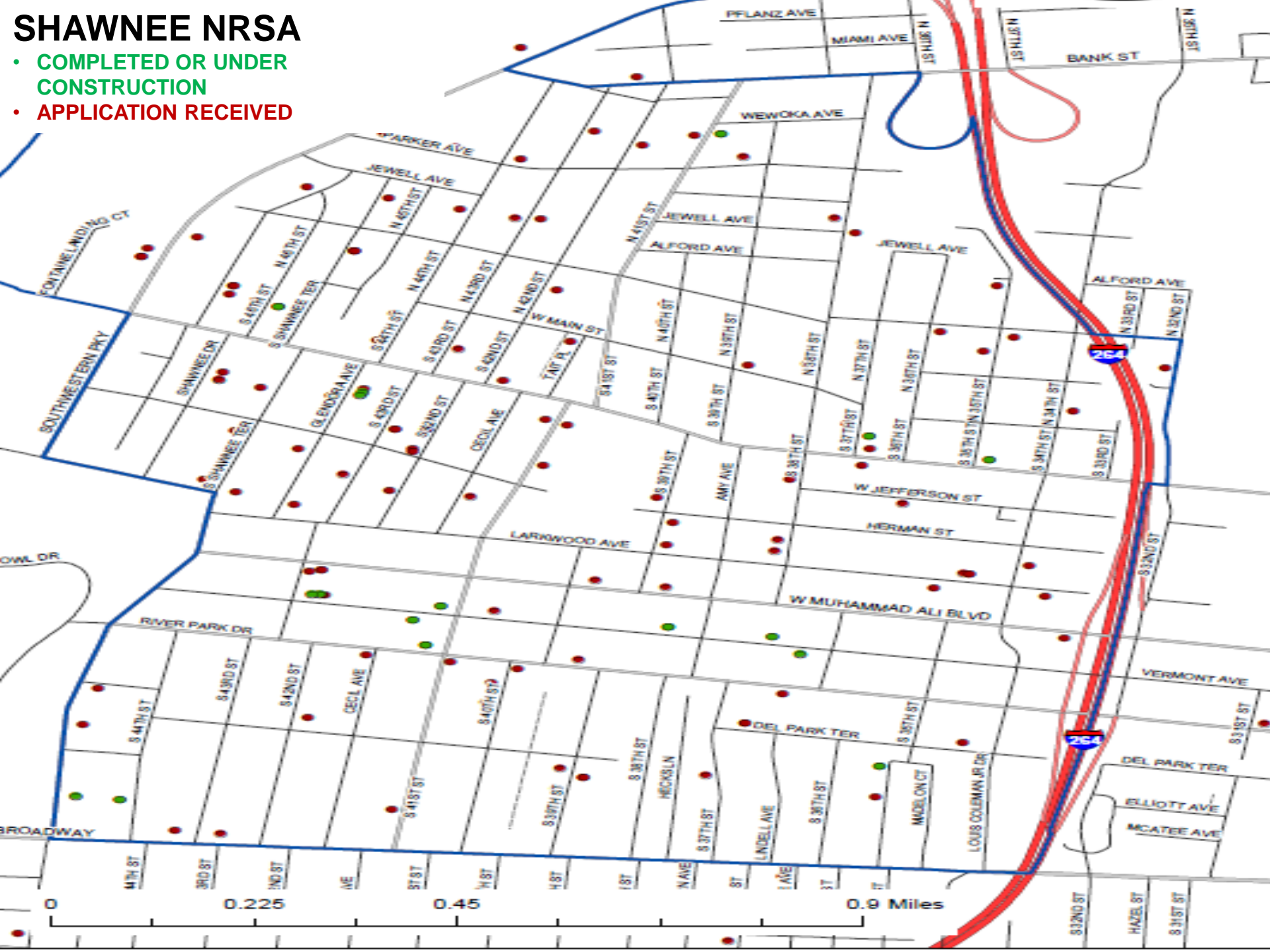
<http://www.louisvilleky.gov/CSR/Community+Services/Home+Repair+Weatherization+Homeownership+Assistance.htm>

WEATHERIZATION PROGRAM RISKS AND IMPACT:

- Metro staff attrition has caused a deficit in certified inspectors to execute weatherization program inspections
- State training schedule to certify inspectors is limited
- Certification standards are stringent and exceed private sector requirements for home weatherization
- This limits Metro's ability to expend program funds and increases wait time for citizens

SHAWNEE NRSA

- COMPLETED OR UNDER CONSTRUCTION
- APPLICATION RECEIVED



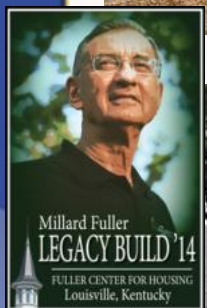
Audience Questions from Comment Cards

Celebration of VAP Success

Celebrating...The Landbank Authority



The Landbank Authority provided 4 vacant houses that were transformed into stable homes by the Fuller Center for Housing.



Photos provided courtesy of The Fuller Center for Housing and the Louisville Affordable Housing Trust Fund.

Closing Remarks

Vacant and Abandoned Properties

Opportunities for Citizen Involvement

Louisville Metro Government is involved in a number of initiatives to address Vacant and Abandoned Properties in our community. Louisville residents can also assist by participating in one of the ways below.

EXPLORE THE VAPSTAT WEBSITE

Visit vapstat.louisvilleky.gov. VAPStat is short for Vacant and Abandoned Properties Statistics.

SPREAD THE WORD ABOUT FORECLOSURE PREVENTION

Help families who are struggling to make their mortgage payments stay in their homes. Refer them to Protect My Kentucky Home at (866) 830-7868 or visit www.ProtectMyKYHome.org.

ORGANIZE A NEIGHBORHOOD CLEAN-UP / "ADOPT A PROPERTY"

Call [MetroCall at 311](tel:311). Brightside and Codes & Regulations may be able to assist with supplies and services.

PARTICIPATE IN THE 3RD ANNUAL BLIGHT OUT - BRIGHTEN UP EVENT IN 2014

Volunteers are recruited to paint plywood boards to enhance the boarding of vacant structures. Call [Codes & Regulations at 574-3364](tel:5743364) or e-mail Audrey.Knigge@louisvilleky.gov.

REPORT DUMPING, VACANCIES OR IF YOU SEE SOMEONE REMOVING PARTS FROM A BOARDED VACANT STRUCTURE

Call [MetroCall at 311](tel:311).

CHECK CODES & REGULATIONS WEBSITE FOR VACANT STRUCTURES AND PROPERTY MAINTENANCE ENFORCEMENT INFORMATION

Visit www.louisvilleky.gov/IPL/PropertyMaintenance

LEARN ABOUT AFFORDABLE HOUSING DEVELOPMENT, HOME REPAIR AND OTHER REVITALIZATION EFFORTS FROM COMMUNITY SERVICES AND REVITALIZATION

Visit www.louisvilleky.gov/csr

PURCHASE PROPERTY OR A SIDE LOT FROM THE LANDBANK AUTHORITY

Call (502) 574-4016 or view property list at www.louisvilleky.gov/CSR/Revitalization/Landbank+Authority+Inc

STAY APPRISED OF THE CITY'S EFFORTS TO REDUCE VACANT AND ABANDONED PROPERTIES

VAPStat public forums are held quarterly to provide the public the chance to see and to track how Louisville Metro is dealing with these properties. Visit vapstat.louisvilleky.gov for VAPStat reports and meeting dates.



Evaluation Form

- What describes you best? Circle one:

Concerned Citizen

Metro Employee

Private Business

Non-profit Representative

- On a scale 1-5, how useful was this meeting to you? (1= least useful and 5= most useful)

1

2

3

4

5

- What's working?
- What's not working?
- What would you like to see discussed in future forums?

Appendix

Background

Background: With more than 5,000 reported vacant properties (1,100 of which are listed as abandoned) in 2012. Louisville, like much of the country, has struggled to make a significant impact against the problem of vacant and abandoned properties. Despite on-going efforts to address the problem at all levels, there is a growing sense that the magnitude of the problem demands a more comprehensive and coordinated response from all parties to have a substantial and lasting impact.

➤ **Strategic Goal:** Mayor Fischer and his administration have set a strategic goal of a 40% reduction of abandoned properties within three years and 67% reduction within five years, as measured against the 2011 baseline of 1,248 abandoned properties. This means a reduction of 504 properties by July 2015 and 844 properties by July 2017.

During VAPSTAT, short for Vacant and Abandoned Properties Statistics, the Mayor and City leaders from across multiple departments and agencies will use data and metrics to assess Metro Government's performance in tackling the complex problems associated with the city's many vacant properties.

VAPSTAT will analyze progress against key vacant and abandoned property metrics like the number of Code Enforcement Service Requests, Foreclosures, Demolitions, and the amount of Liens Collected. With this information, the Mayor and his senior management team will track trend data to assess the impact of current initiatives and identify new tactics or operational changes that must be made to ensure we reach our goals and ultimately eradicate vacant and abandoned properties from our community.

Intent and Scope

In addition to meeting our strategic goal, the VAPSTAT forum will help Louisville Metro Government better:

- **Understand** the magnitude of the problem by agreeing upon a standard definition of vacant and abandoned properties and the starting number (baseline) we must address
- **Coordinate** our efforts across departments, agencies, and external partners
- **Track and improve** performance against the standard definition, baseline, and best-in-class benchmarks
- **Engage** the community and be transparent

Scope: VAPSTAT focuses on what Louisville Metro Government is doing to solve the cross-departmental, community-wide issue of vacant and abandoned properties. VAPSTAT does not focus on individual department performance tracked in LouieStat, nor does it discuss complaints about specific locations in depth.

VAP Strategic Goal

- 40% reduction of abandoned properties within three years and 67% reduction within five years, as measured against the 2011 baseline of 1,248 abandoned properties.
 - Reduction of 504 properties by July 2015
 - Reduction of 844 properties by July 2017
- This goal will be achieved through a new program to change ownership of abandoned properties through foreclosure, as well as a 22% increase in demolitions annually from the previous four-year average.
- Additional effort will also be placed on abandonment prevention and increasing owner compliance with property maintenance code violations.

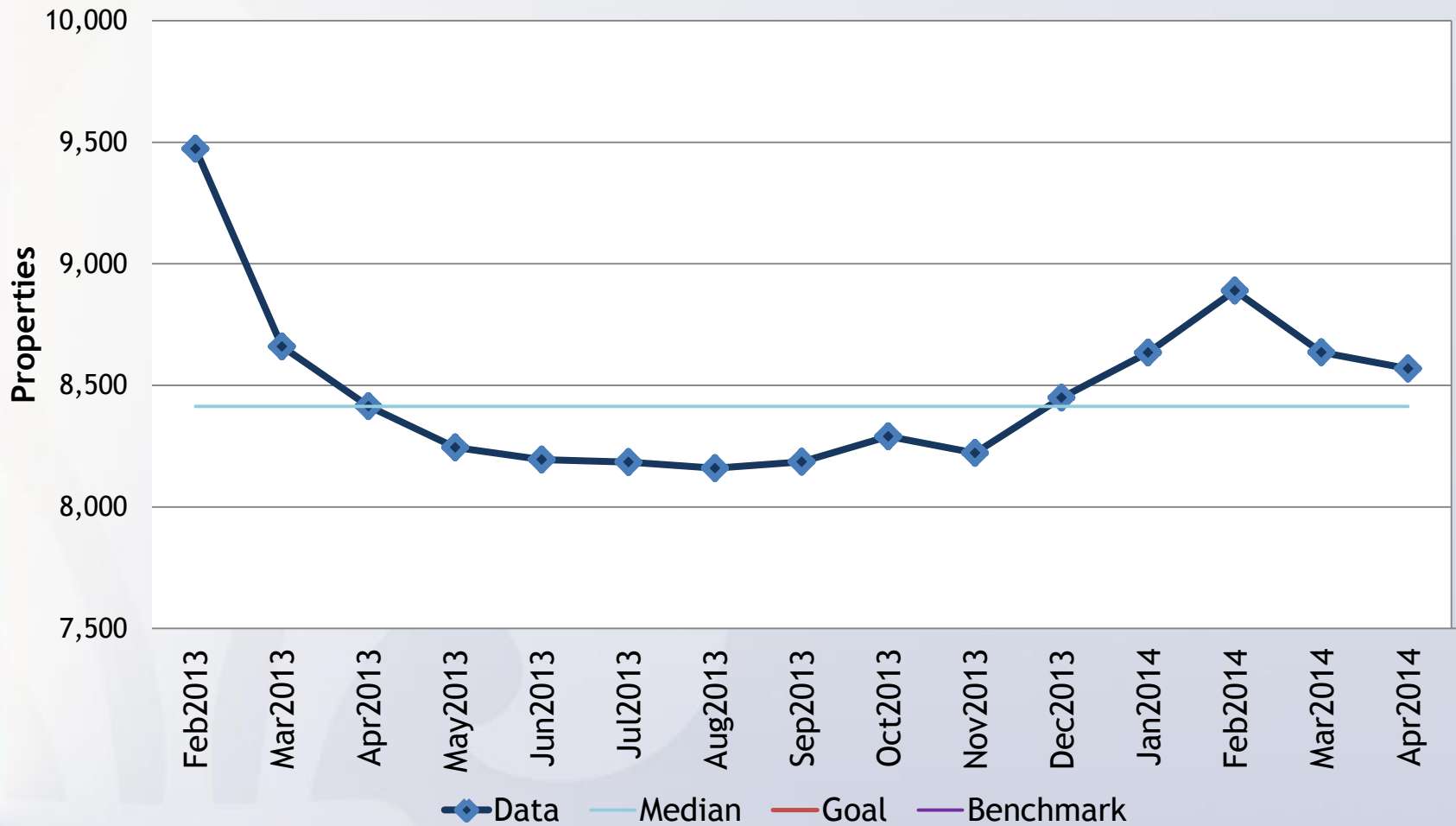
Progress Since July 2011:

- 234 structures demolished
- 169 foreclosures initiated

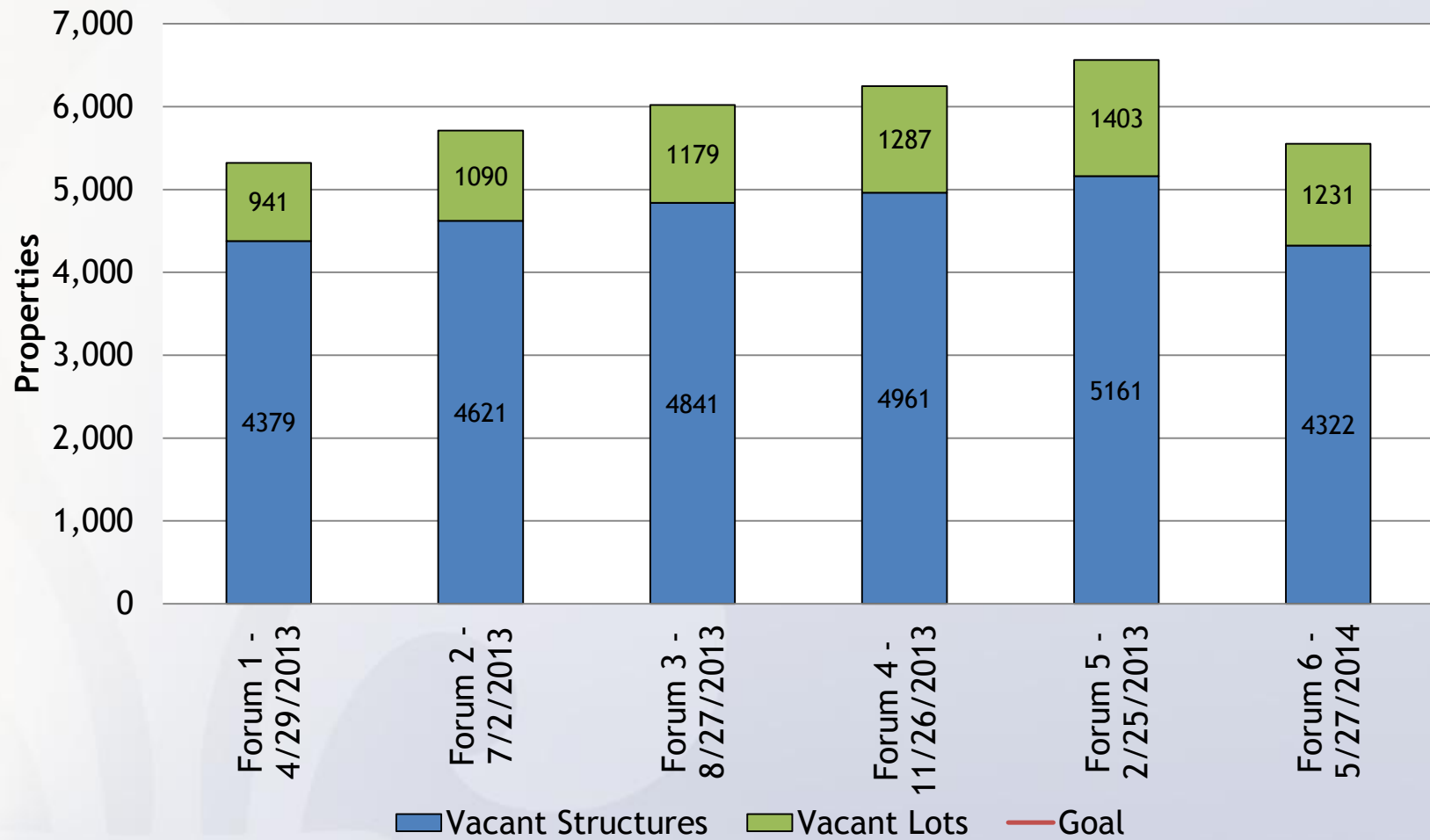
Key Definitions

Vacant Property	Any structure not occupied or being used for legal purposes or lot free from activity, work, or development.
Abandoned Property	Any property that has been vacant or unimproved for at least the 12 months and, due to failure of the property owner to maintain the property, required Metro to either cut the grass/weeds, clean the lot, board the structure, or demolish the structure within the same period.

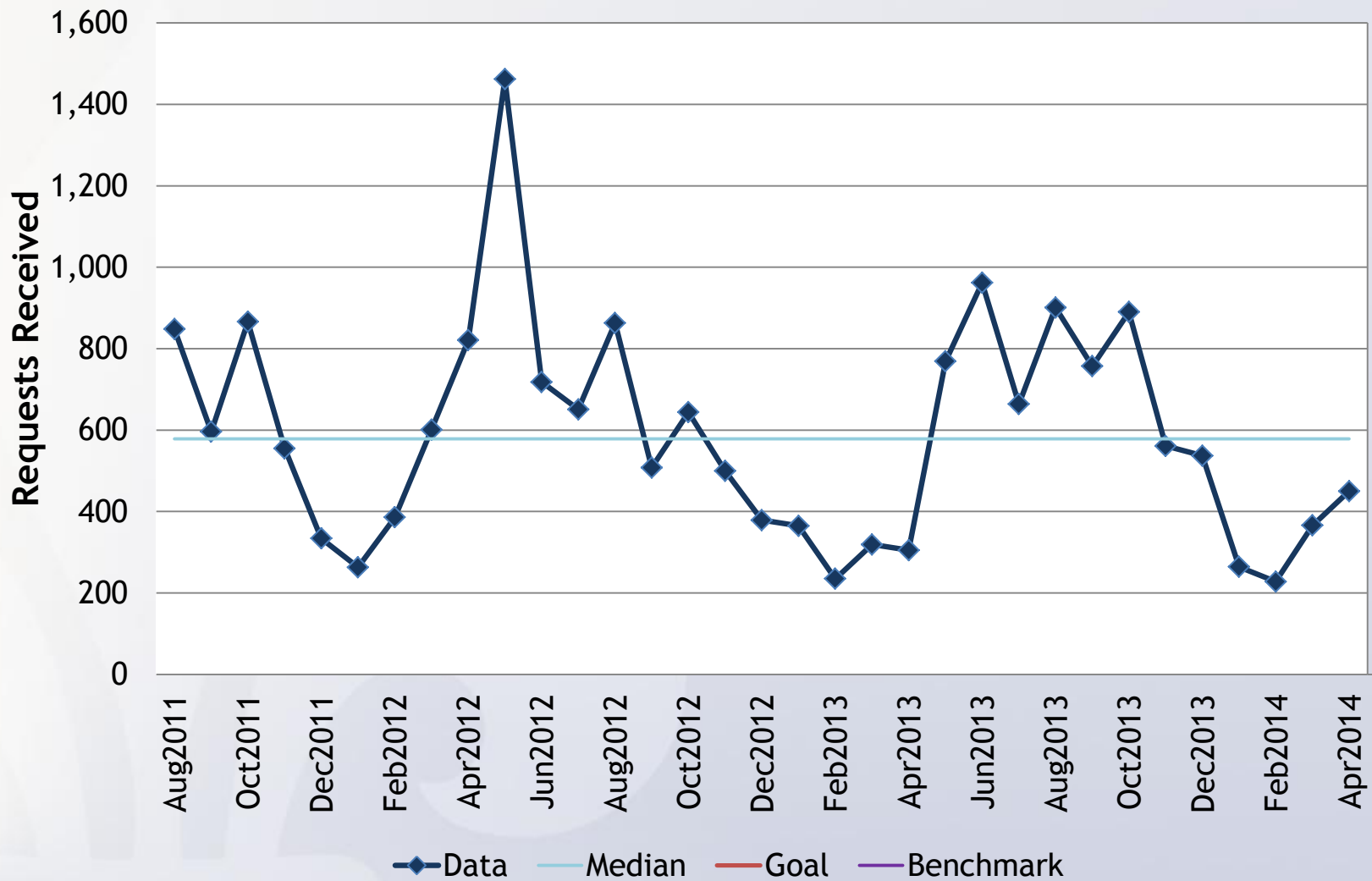
KPI: Properties with Inactive Water Service



KPI: Vacant Properties



KPI: Boarding & Cleaning Requests Received



KPI: Boarding & Cleaning Cases Resolved

